

**E-BLOOK: STUDY OF THE ACCEPTANCE LEVEL  
OF MALAYSIAN BLOGGERS TO ADOPT  
COLLABORATIVE WRITING MEDIUM TO SELF-  
PUBLISH EBOOK**

**WONG SI-MAAN**

**UNIVERSITI SAINS MALAYSIA**

**2010**

**E-BLOOK: A COLLABORATIVE WRITING MEDIUM  
FOR SELF-PUBLISHING IN MALAYSIA**

**STUDY OF THE ACCEPTANCE LEVEL OF  
MALAYSIAN BLOGGERS TO ADOPT  
COLLABORATIVE WRITING MEDIUM TO SELF-  
PUBLISH EBOOK**

**WONG SI-MAAN**

**Dissertation submitted as partial fulfillment of the  
requirements for the degree of Master of Science  
(Information Technology Technopreneurship)**

**December 2010**

# STUDENT'S DECLARATION

Name: WONG SI-MAAN

Matric No: SCOM 0097/08

School: COMPUTER SCIENCE

Thesis Title: E-BLOOK: STUDY OF THE ACCEPTANCE LEVEL OF MALAYSIAN BLOGGERS TO ADOPT COLLABORATIVE WRITING MEDIUM TO SELF-PUBLISH EBOOK.

I hereby declare that this thesis which I have submitted to School of Computer Science on 10<sup>th</sup> of December is my own work. I have stated all references used for the completion of my thesis.

I agree to prepare electronic copies of the said thesis to the external examiner or internal examiner for the determination of amount of words used or to check on plagiarism should a request be made.

I make this declaration with the believe that what is stated in this declaration is true and the thesis as forwarded is free from plagiarism as provided under Rule 6 of the Universities and University Colleges (Amendment) Act 2008, Universiti Sains Malaysia Rules (Student Discipline) 1999.

I conscientiously believe and agree that the University can take disciplinary actions against me under Rule 48 of the Act should my thesis be found to be the work or ideas of other persons.

Students Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Acknowledgement of receipt by: \_\_\_\_\_ Date: \_\_\_\_\_

## ACKNOWLEDGEMENT

First and foremost I would like to give thanks to God for His strength and grace in me to complete this dissertation especially during sickness. I would like to thank my parents and brother very much for supporting me and giving me many words of encouragement. Besides that, I would like to offer my sincerest gratitude to my supervisor, Mr G. C. Sodhy, who has supported me throughout my thesis with his patience and guidance. Many thanks to the Deputy Dean, Associate Professor Dr Ahamad Tajudin Khader, Dr Nasriah Zakaria, and Mrs Rosnah Idrus for kindly extending my mid-term submission to health reasons. Furthermore, I would like to thank Dr Vincent Khoo Kay Teong, and Ms Nasuha Lee Abdullah who were my Cyber-Marketing lecturers. They had provided me insights into doing online business and thus I was inspired to initiate an *E-blook* product in this business dissertation. I would also like to thank Dr Nasriah Zakaria who taught me the research methodology. Thanks to Dr Ahmad Suhaimi Baharudin who conducted additional classes to teach me SPSS software. Thanks to my coursemates who have continuously supported me with information of dissertation guideline, research articles and SPSS notes. Finally, I would like to thank my examiners, Mrs Rosnah Idrus, Dr Cheah Yu-N, Dr Yap Fa Toh and Dr Siti Salijah Mohammand Shariff, and my supervisor Mr G. C. Sodhy again for identifying the errors that I have made in my dissertation.

# TABLE OF CONTENTS

	Page
DECLARATION .....	ii
ACKNOWLEDGEMENT .....	iii
TABLE OF CONTENTS .....	iv
LIST OF APPENDICES .....	vii
LIST OF TABLES .....	viii
LIST OF FIGURES .....	ix
ABSTRAK .....	x
ABSTRACT .....	xi
<b>SECTION 1.0 EXECUTIVE SUMMARY.....</b>	<b>1</b>
<b>SECTION 2.0 INTRODUCTION TO THE BUSINESS</b>	
2.1 Business Intent	
2.1.1 From blogging to ebook writing.....	4
2.1.2 The need for Malaysian society to publish more books.....	4
2.1.3 The challenges of Malaysian publishing market .....	5
2.1.4 The importance of writing in education .....	6
2.2 Target Markets .....	8
2.3 Market and competitor analysis	
2.3.1 Blog convertor and PDF ebook format.....	10
2.3.2 Competitor analysis: Lulu.com.....	11
2.3.3 Advantages of e-publishing .....	17
2.3.4 E-publishing in Malaysia	
2.3.4 (a) Economic outlook of Malaysia printing industry .....	17
2.3.4 (b) eInfoC.....	19
2.4 Strength Weakness Opportunity Threat (S.W.O.T.).....	20
2.5 Business Model.....	22

2.6 Revenue Model	
2.6.1 Core business.....	23
2.6.2 Sub business .....	24
2.7 Growth Strategies	
2.7.1 Marketing strategies.....	25
2.7.2 Financial strategies.....	26
2.7.3 Technology and Product Development Strategies.....	26

### **SECTION 3.0 INTRODUCTION TO THE COMPANY**

3.1 Management Team .....	27
3.2 Organizational Chart .....	28
3.3 Human Resource Plan .....	29

### **SECTION 4.0 PRODUCT AND SERVICE DEVELOPMENT**

4.1 Literature Review	
4.1.1 Blog.....	30
4.1.2 eBook.....	32
4.1.3 Blook.....	32
4.2 The products of <i>E-blook</i> .....	32
4.3 Product Technology and Design.....	33
4.3.1 Profile Login User .....	35
4.3.2 Blog Design.....	36
4.3.3 The conversation between blogger and editor/tutor.....	38
4.3.4 eBook customization.....	39

### **SECTION 5.0 MARKETING RESEARCH**

5.1 Research Objective.....	40
-----------------------------	----

5.2 Research Question.....	40
5.3 Research Scope.....	40
5.4 Research Methodology.....	41
5.5 Theoretical Framework.....	41
5.6 Research Hypothesis .....	43
5.7 Data collection.....	45
5.8 Data Analysis and findings	
5.8.1 Descriptive Statistics	
5.8.1(a) Demographic.....	45
5.8.1(b) Blogging information .....	47
5.8.1(c) Mean values .....	49
5.8.2 Reliability.....	50
5.8.3 Correlations.....	51
5.8.4 Regression.....	52
<b>SECTION 6.0 MARKETING PLAN</b>	
6.1 Marketing Overview .....	54
6.2 Marketing program.....	54
6.3 Marketing Mix model.....	55
6.3.1 Product.....	55
6.3.2 Price.....	56
6.3.3 Place.....	56
6.3.4 People.....	56
6.3.4 (a) Persuade sales from bloggers.....	57
6.3.4 (b) Persuade sales from education entities.....	57
6.3.4 (c) Collaborate with value networks.....	58

## **SECTION 7.0 FINANCIAL PROJECTION**

7.1 Financial Overview .....	60
7.2 Financial summaries.....	60
7.3 Profit and Loss Account .....	62
7.4 Cash Flow Statement .....	64
7.5 Balance Sheet.....	66

## **SECTION 8.0 FUTURE PLAN**

8.1 Summary of Key Points: Research Contribution.....	68
8.2 Limitations.....	69
8.3 Future Work.....	69

<b>REFERENCES</b> .....	70
-------------------------	----

## **LIST OF APPENDICES**

APPENDIX A QUESTIONNAIRE.....	74
APPENDIX B DATA ANALYSIS.....	81

## LIST OF TABLES

Table 2.1 Malaysia Internet Usage Statistic (Miniwatts Marketing Group, 2010).....	9
Table 2.2 Prices of publishing services by Lulu.com (Starreviews.Com, 2010).....	13
Table 2.3 Comparison between Lulu.com and E-blook.....	16
Table 3.1 Human Resource Plan.....	29
Table 5.1 Perceive Usefulness (PU).....	44
Table 5.2 Perceive Ease of Use (PEOU).....	44
Table 5.3 Behavioral Intention (BI).....	45
Table 5.4 Demographic of sample .....	46
Table 5.5 Blogging information.....	48
Table 5.6 Mean values.....	50
Table 5.7 Reliability.....	51
Table 5.8 Correlations statistic.....	52
Table 5.9 Regression Statistic.....	53
Table 7.1 Financial Summaries.....	61
Table 7.2 Profit and Loss Account .....	63
Table 7.3 Cash Flow Statement.....	65
Table 7.4 Balance Sheet.....	67

## LIST OF FIGURES

Figure 2.1 Most popular ebooks formats.....	10
Figure 2.2 Classified advertisement platform of OLX.com.....	15
Figure 2.3 Business Model.....	23
Figure 2.4 Product/Market Ansoff matrix (Ansoff, I., 1957).....	26
Figure 3.1 Organizational Chart of <i>E-blook</i> Company.....	28
Figure 4.1 Types of Blog (Krishnamurthy, S., 2002).....	30
Figure 4.2 Weblogs as a continuum between standard Web pages and CMC (Herring, 2004).....	31
Figure 4.3 Model of product design.....	34
Figure 4.4 Sample writing project and user community in <i>E-blook</i> blog space.....	36
Figure 4.5 Customization page of Blogger.com.....	37
Figure 4.6 Comment Box (Butler, 2001).....	38
Figure 4.7 eBook customization.....	49
Figure 5.0 Research Methodology.....	41
Figure 5.1 Research Hypothesis.....	43

## ABSTRAK

### **E-BLOOK: PENYELIDIKAN UNTUK MENIMBANG TAHAP PENERIMAAN GOLONGAN BLOGGER UNTUK MENGGUNAKAN PERANTARA PENULISAN USAHA SAMA UNTUK PENERBITAN DIRI EBOOK DI MALAYSIA**

Penerbitan diri membolehkan golongan pengarang mengawal kerja penerbitan mereka secara menyeluruh demi kehendak mereka dan mendapat pendapatan yang lebih lumayan daripada jualan buku. Penerbitan elektronik menyenangkan kerja golongan pengarang dengan membolehkan mereka menulis menggunakan komputer dan mempercepatkan kerja penerbitan. *E-blook* memudahkan kerja penerbitan diri dengan inovasi perisian blog sebagai ruang menulis untuk menukar penulisan itu kepada “ebook” dalam bentuk PDF. *E-blook* mengambil kesempatan blog sebagai ruang komunikasi yang semakin giat digunakan di internet dan seterusnya membentuk satu strategi pasaran menumpukan kira-kira dua juta blogger di Malaysia untuk menulis ebook. Penyelidikan ini menggunakan model TAM daripada Davis, F.D. (1989) untuk menimbang tahap penerimaan golongan blogger untuk menggunakan *E-blook*. Satu soal selidik diedarkan secara rambang dalam talian dan luar talian kepada 50 peserta orang dan 42 daripadanya golongan blogger. Menurut penyelidikan ini, kebanyakan golongan blogger beniat untuk menggunakan perkhidmatan *E-blook*, 68% daripada mereka berminat menerbit ebook dengan bantuan suntingan. Model perniagaan *E-blook* akan menunjukkan keuntungan dalam tahun ketiga pengoperasian dengan 8,000 pelanggan, yang merupakan 0.004% daripada dua juta pemblog di Malaysia.

## ABSTRACT

### **E-BLOOK: STUDY OF THE ACCEPTANCE LEVEL OF MALAYSIAN BLOGGERS TO ADOPT COLLABORATIVE WRITING MEDIUM TO SELF-PUBLISH EBOOK**

Self-publishing allows writers to have a complete control of the publishing works according to their will and gain higher revenue from the sales of the books. E-publishing makes the job of a writer easy by writing in computer and makes the publication faster. *E-blook* facilitates self-publishing by innovating blog software as a medium of collaborative writing for users to convert the writings to PDF ebook. *E-blook* responds to the current trend of blog as a popular form of writing form on internet, and developed a marketing strategy to focus on around two million of Malaysian bloggers, to influence them to write ebook. The research adopts TAM model of Davis, F. D. (1989), to test the acceptance level of Malaysian bloggers to adopt *E-blook*. A set of questionnaire has been constructed and distributed online and offline randomly to 50 participants with comprise of 42 bloggers. The research found most of the bloggers have behavioral intension to use *E-blook*, with 68% of the bloggers claimed they are interested to publish ebook and want their writing to be improved with editorial help. *E-blook*'s business model will show profit in the third year of operation with 8,000 subscriptions, which is 0.004% of the two million bloggers in Malaysia.

## SECTION 1.0 EXECUTIVE SUMMARY

The business product is called *E-blook*. *E-blook*'s selling point is its blog design interface with facilities to self-publish books. *E-blook* is designed with the purpose for writers to manage their writing and interact with writing experts. Besides, *E-blook* facilitates writers to convert the templates of writing pages, covers of the book from *E-blook* to printable PDF ebook format. Since this is self-publishing, writers will be the final editors to select which entries of their writings to convert into ebooks. This business targets the Malaysian market in general, especially bloggers who attempt to become writers. *E-blook* provides two services. The first is education, where *E-blook* is a place for writers to collaborate with a tutor to improve writing skills. This version is suitable for new writers who need more educational advice than editing service. The second is editing channel where writers need an editor to edit their works before publishing an ebook.

The product also comes with services to facilitate writers to connect with editors or language tutors, book cover designers, printing companies and book stores. *E-blook* is a self-publishing facility and not a publisher. Hence, writers have complete control of the editorial and marketing process. *E-blook* charges a writer with RM 100 per ebook basis for its product features of collaboration tools, PDF convertor and ebook customization. Once registered, the writer will be enrolled as a member to place their ebooks at *E-blook*'s advertisement platform and receive the newsletters about *E-blook*'s updates. Besides this, the writer can also submit his or her writing to *E-blook*'s publishing consultants to get advice if his or her writing is commercially viable. Furthermore, *E-blook* will apply International Standard Book Number (ISBN) from Malaysian National library for the writer's book.

The Malaysian publishing market is small due to the diverse nature of Malaysian languages according to ethnic groups, and the book market is mostly dominated by foreign publishers (Kalim, R. 2006). Malaysia has to publish 27,000 book titles for general reading

annually in order to reach the standard as a knowledgeable, developed nation and be on par with other developed countries (Hasan, H. 2009). Hence, the Malaysian society needs a social portal that can distribute the interest of writing and reading, in order to increase the number of book publishing. *E-blook* is a product to increase interest of writing books in Malaysian society through promoting a convenient way of producing printable ebooks. More importantly, writing is always a need for personal growth in aspect of psychological growth (Linda, J. 2010) and intellectual growth as “writing is an effective means of learning” (Emig, 1971).

Blogging is a practice of writing using blogging software that is published in the World Wide Web. Blogging is voluntary writing with the intention of recording personal memories and sharing knowledge with the public. Besides, blogs can play the role as advertising agents where bloggers can displays advertisements on their blogs to earn passive income from the advertisers. *E-blook* studies the acceptance level of facilities and tests the degree of bloggers’ intention to buy the services to improve their writing and convert their writings to ebooks for sale. This is because bloggers is the group of people who are most familiar with writing on the internet. Selling of ebooks is a way for writers to earn money. Bloggers can sell ebooks at their blog together with their writings while promoting their reputation in the blogging community. Marketing research was conducted to survey the acceptance level of *E-blook* concept by bloggers, and the research was also made on the relationship between bloggers’ acceptance factors and bloggers’ intention to use *E-blook*. According to the result of the marketing research, 68% of bloggers accept the concept of writing and selling ebook. Thus, transforming bloggers to ebook writing is possible in the Malaysian market.

*E-blook* emphasized the discipline of writing with editing or education, thus designed a collaborative tool to help bloggers improve their writing. The business studied the product features of Booksmart, Blog2book, Blogger and Edublog, the marketing services of Olx.com,

Lulu.com and extracted the best part of their products and services, and innovated to the design *E-blook*. This report explains the challenges of the Malaysian publishing market, the importance of writing in education and the potential of turning the blogging market into ebook publishing market, as points relating to the value proposition of this business idea. *E-blook* adopts public relations strategies to Malaysian blogging markets, education entities, and other value networks such as Malaysian Book Publishers Association (MABOPA), Ministry of Education, and book stores as part of marketing activities to increase product awareness to the market. The success of the business depends on how much the business model can convert the product to economic value. *E-blook* is estimated to cross the marginal loss of RM 53,000 at second year to a profit of RM 233,000 at third year. This profit was estimated by assuming the business model has 8000 subscriptions to *E-blook*, which is 0.004% of the two million bloggers in Malaysia.

The objective of the *E-blook* is to invite people with intentions to write and publish ebook. *E-blook* facilities and services are to fulfill the needs of a writer on a convenient and unified place to improve their ebook writing and market their ebooks. Besides, *E-blook* enforces transformational motives (Petty, R. E. and Cacioppo, J. T. 1986) to increase the bloggers' motivations to write ebooks for learning purpose and for earning money. This transformational motive has a potential in education sector because it encourages student to learn writing by blogging, as "what we have to learn to do, we learn by doing" (Aristotle, c. 325 BC). Writing should be taught as a process of discovery and teachers should intervene to guide students through the process so that students know the areas in which they should rework (Baba, S. 2009). Blogs are widely used in education, as evidenced by the four hundred thousand educational blogs hosted by Edublogs (Stephen, D. 2009). Hence, *E-blook* is a potential tool to foster the development of a learning community and play a role in the education sector.

## **SECTION 2.0 INTRODUCTION TO BUSINESS**

### **2.1 Business intent**

#### **2.1.1 From blogging to ebook writing**

Blogging has taken the world by storm in recent years when people keep blogs as a way to share their lives, thoughts and knowledge. Blog is an increasingly popular form of communication on the World Wide Web (Herring, 2004). The business flows with the current blogging storm to emerge in the Malaysian market to innovate blogging software as a collaborate tool for writing, education and editing to help writers to improve their writing and publish books. The product of the business is an electronic self-publishing medium called *E-blook*. E stands for electronic editing and education, whereas blook implies that this is a blog for producing book. Blook is a printed and bound book based on blog, a new in the life-cycle of content, if not a new category of content and a new dawn for the book itself (Ooi, J. 2007). The core objective of this business is to help writers to create ebooks in *E-blook* software. The unique feature of *E-blook* is its blog interface design to give writers a feel of writing in blog software. However, the writers engage with *E-blook* and its collaborative tools to improve the quality of their writing by bringing in communities of language experts such as editors, language tutors, and others such as co-authors, reviewers and trusted group followers, and subsequently convert these serial writings into a printable ebook. When writers have created a reputation in the blogging community through their blogging, they can also successfully sell their ebooks together with their blog writings which can act as an advertising tool.

#### **2.1.2 The need for Malaysian society to publish more books**

According to Hasan, H. (2009), the president of Malaysian Book Contractors Association, Malaysia has to publish 27,000 book titles for general reading annually to reach

the standard of a knowledgeable, developed nation and be on par with other developed countries. Most of the books in Malaysia are imported. What can make Malaysians capable and motivated to produce books for general reading in Malaysia? The Malaysian society needs an instrument to provoke their main motive of learning and initiative to write. Everyone is born with a mind to think in a unique style of thought articulation, and this has resulted in the creation of a product called *E-blook* to harness the desire of Malaysians to write, and to create ebooks as well as participate in e-commerce. Bloggers are writers who are writing in blog spaces frequently. *E-blook* is a medium to transform bloggers from writing at blogs to writing ebooks, as a stepping stone for them to grow as professional writers to increase more quality books to be published in Malaysia. Publishers have greater willingness to take untried writers and non-traditional characters of story lines and manuscript lengths into e-publishing (Kayne, R. 2010). Hence, the activity of ebook publishing by bloggers is preparing more talents for publishers to publish books for Malaysia.

### **2.1.3 The challenges of Malaysian publishing market**

However, the diversity of Malaysian languages creates difficulties for local writers to publish good quality book in Malaysia. In the presentation script of Karim, R. (2006) on topic of “Author Experience in Malaysia”, he stated that Malaysia is so complex and diverse with 25 million people speaking three languages, which are Malay, Chinese, and Tamil and thus making it difficult for writers to write for everyone. The Chinese, Indian, and Malay communities have their own schools, own newspapers and own writers. Malaysian writers in the English language can write for newspapers and publishing houses abroad, but the competitive global market demands them to master good English and have ideas to impress the foreign publishers. Besides, the book market in Malaysia is very much controlled by the American and European publishers and Malaysians are reading foreign English books more

than local English books. *E-book* introduces e-publishing which does not need to consider very much the factors of market opportunity before printing and launching the books in the market. A normal publisher needs to ensure that a good demand of the book exceeds the cost of paper, machine printing and virtual distribution of the hardcopy books for profit. An advantage of ebook publishing is its digital format that can be easily distributed globally instead of locally only. Hence, e-publishing is a way to overcome the small book market of Malaysia by opening the book market to global distribution. When more writers are from Malaysia, the book reading rate among Malaysians will surge because writers need to read more in order to write well. According to Latisha, A. (2010), reading helps beginner writers with knowledge that is valuable to be included in their writing. The more they read, more ideas can be elaborated in their writing to produce a good piece of writing. Teaching, reading and writing interactively enhances students' intellectual processes (Latisha, A. 2010). According to an ebook advertisement at Alibaba.com (2010), the price of an ebook ranges from USD 1 to USD 30, which is an affordable price for Malaysian readers and those in developing countries, and cheap price for those in developed countries in Europe.

#### **2.1.4 The importance of writing in education**

Writing is an important activity in the education environment. Essay writing is a journey of learning a skill of communicating ideas and expressing thoughts of understanding in the field of the study. According to Emig (1971), a writing theorist, writing is an effective means of learning, and it is a way of expressing how and what we think. Raimes (1983) assumed that the basic of writing are to connect texts and not just single sentences, write for a purpose and have readers, and that the process of writing is a valuable learning tool for all students. Writing should be taught as a process of discovery and teachers should intervene to guide students through the process so that students know which areas should be reworked on (Baba, S. 2009). Baba, S. (2009)'s research showed that feedback is more useful in between

drafts, and not at the end of the task for, as “what we have to learn to do, we learn by doing” (Aristotle, c. 325 BC). Hence, *E-blook* can be a valuable learning tool for Malaysian students to interact with their tutors to get feedback in between drafts and, to discover the part they need to rework in the *E-blook* space. Writers need to understand that their purpose in writing when engaged in the *E-blook* process is to create ebooks to capture readers globally.

Besides that, writing is important for psychological growth. According to the book “The Power of Memoirs” by Linda, J. (2010), the process of writing memoirs creates a circular call and response, where the story that the writers write comes from the memories and inner resources that the writers draw upon, becoming something new that arises from their creativity and inner wisdom. A new psychological relationship is created once the writers have written the story and they may find themselves surprised by how they are changed by the story. *E-blook* encourages the practice of writing for the sake of self-development and self-actualization. Self-actualization is the need for a sense of spontaneity, problem solving capacity, lack of prejudice, acceptance and creativity (Maslow, A.H. 1943).

According to Karim, R. (2006), writers need an audience to develop discipline, where discipline, structure and organization are brought about by editors. As writers become more experienced through the process of writing, they learn to look critically at their writings with proper writing discipline such as correct grammatical, logic and structure of language. A writer’s thought very often is caught by writing ideas and the language and concept details are lost. Thus, writers need editors or reviewers as fresh eyes to help them detect the writing errors in their texts and to refine their work. Another unique feature of *E-blook* is that it is like a student publishing and collaborating learning blogs in writing. Blogs are widely used in education, as evidenced by the 400,000 educational blogs are hosted by Edublogs (Stephen, D. 2009). *E-blook* fosters the development of a learning community and improves its quality

with the involvement and guidance of language experts such as editors and tutors. *E-blook* connects writers with language experts, linking one community in these collaborative tools and teaching them to improve their writing skills. This will help Malaysia to be known as a knowledgeable and developed nation, thus improving the Malaysian society.

## **2.2 Target Market**

Malaysian bloggers is the primary target market of this business with its marketing research findings. The genuine thoughts of a blogger make a precious collection for general reading in the Malaysian market. A recent statement by the Malaysian Information, Communication and Culture Minister, Datuk Seri Dr Rais Yatim affirmed that there are two million bloggers in Malaysia who are publishing their views and criticisms. (MYSinchew, 2010). Malaysia Internet Usage Statistic is presented at Table 2.1. 65.7% of the Malaysian population, which is 17 million are internet users. If two million Malaysians are bloggers, then approximately 12% of Malaysian internet users are bloggers. The marketing research of this report showed that most of the people who like to write are engaged with blogging as well. 82% of the respondents who claimed to like writing are bloggers. According to this marketing research, most writers who engage in blogging want to record their personal memoirs or journals (36%), and also want to share information, ideas and stories to public (32%). In this context, bloggers' writings are the works of their personal reflection and knowledge. Blog is a spontaneous writing that comes straight from the blogger's heart (Karim, R. 2006). *E-blook* would like to target the blogger by catching their hobby of writing to engage in *E-blook* by attracting them to transform their works to another form into an ebook. The research found that 68% of the bloggers accepted the concept of publishing ebook and claimed that they need their writing to be improved before being published. In

conclusion, the majority of bloggers are willing to write ebook besides blogging.

Table 2.1 Malaysia Internet Usage Statistic (Miniwatts Marketing Group, 2010)

<b>Year</b>	<b>Internet Users</b>	<b>Population</b>	<b>% Internet Users over population</b>
2007	13,528,200	28,294,120	47.8 %
2008	15,868,000	25,274,133	62.8 %
2009	16,902,600	25,715,819	65.7 %

New writers, freelance editors and language tutors are *E-blook's* important target markets as well. The emerging of blogs and websites has diversified the role of writers to web writers, bloggers and article writers who are called freelance writers (Sarah, L. 2009). Thus, everyone can be a writer as long as he or she is expressive and imaginative with thoughts to share. But a writer may not have adequate linguistic input and guidance to be able to write successfully. Besides, by having no formal training in language or writing instruction, the writers may have very unrealistic views of their true writing abilities (Thomas, C. 2007). This business introduced the production of ebook publication through *E-blook* which is a writing space to refine writers' works in collaboration with authors and language experts. Hence, the business focuses on market of language tutors who can give workshops on linguistic knowledge, instruction and correction to the writers through *E-blook* collaborative learning space. The business also focuses on editors who sell their services in proof-reading and editing the written works of original authors. In conclusion, the business target markets are bloggers, new writers, editors and language tutors.

## 2.3 Market and competitor analysis

### 2.3.1 Blog convertor and PDF ebook format

Figure 2.1 presents results on a sample of approximately 100,000 ebooks are downloaded from Smashwords, January 1st to 31st 2010. Portable document format (PDF) was found as the most preferred format, which is 35% of downloads (Mark, C. 2010). This is because PDF is universally supported on most personal computers and ebook reading devices. The PDF format is such a familiar format that many readers think that PDF equals to ebook (Mark, C. 2010). In this context, PDF is a popular format for the ebook publishing market. Adobe Reader files is printable and compatible with pictures and graphics.

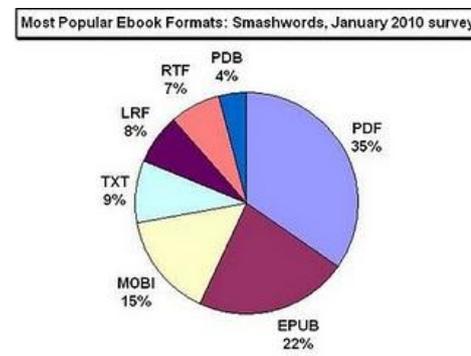


Figure 2.1: Most popular ebooks formats

There are existing blog convertors from blog to PDF format in the market. They have their strengths and weakness. Adobe PDF Creator can extract every data from a blog including all images, and Java Scripts but the format can be distorted and will not be readable after conversion (Sanjeev, M. 2009). Blog Collectors still do not support new Google's Blogger templates whereas Blurb.com only supports blogs that are hosted on WordPress.com but not WordPress.org (Matt, C. 2010). There are software to support book publishing service with features to reformat the content before converting the blogs to ebooks, such as Book-

Smart, Zinepal and FastPencil. Zinepal allows flexible customization on content editing, options of layout and formatting, insertion of advertisement, logo and template (Matt, C. 2010). Book-Smart software provides facilities for book designs with graphical features of editing layout, background, theme, accessories and insertion of photo. FastPencil has additional feature which allows it to clear out any spam comments by selecting all the spam comments and clicking “Empty Spam” while converting the blogs into ebooks (Matt, C. 2010).

Most of the blog converters are independent software. The conversion of blogs to PDF is relative to what the blogging software is used. Besides, many blog converters have difficulties in capturing all the blog data into PDF format. The design of a book cover and the layout of pages and templates are important in publishing books, as visual designs communicate the personality of a book to readers in order to capture their attention and favor at first sight. *E-book* is blogging software which is uniquely designed to be compatible with its converters in order to convert full blog data into PDF format. Writers can design the layout, template and cover of the book in the blogging space. The method of blog customization is more or less similar across blogging software, thus writers will be familiar with *E-book* if they have blogging experiences and do not need to make much effort in learning to use *E-book*.

### **2.3.2 Competitor analysis: Lulu.com**

Lulu.com is a global leading self-publishing solution website. It is ranked highly by search engines of Google and Yahoo. Lulu.com categorizes its self-publishing model to five components of service. First, Lulu.com is a tool of ebook creation by directing writer to upload their manuscript, choose design by selecting a size, binding type, color and theme of the book. Second, Lulu.com is a tool for writer to sell the ebook. Writers can buy International Standard Book Number (ISBN) from Lulu.com and distribute the ebooks to

over 60,000 schools, book stores and libraries internationally. Lulu.com is a giant self-publishing service provider by capturing unique 500,000 visitors from 80 countries every week. This implies Lulu.com has a huge global marketplace in distributing ebooks. In category of servicing, Lulu.com offers a myriad of services that help writer to edit, format, print and market the ebook a professional, visible, and profitable level. The prices of the services provided by Lulu.com are presented at Table 2.2. The price is categorized by packages basis which is the publishing pack that include editing and formatting, and the marketing pack that include advertising and distribution. Besides, there are individual services instead of package such as editing, formatting, cover design, ISBN purchasing, publishing coach, book reviewing, advertising, web design are offered as well.

Lulu.com helps writer to connect with writing experts, gets writer to share idea by participating in a forum and blog, and allows writer to sign up for Lulu.com's newsletters to engage with the latest updates of Lulu.com. Lastly, Lulu.com is a shopping platform for visitor to buy all kinds of contents, which are the form of print books, electronic books, photos, and digital media creations. In term of revenue model, Lulu.com collects 20% of the sales of the ebooks of the writer at free sign up a self-publishing account. However, according to a member's comment at Starreviews.com (2010), he or she has ended up paying far more than he or she was led to believe. This is because there are many charges are taken place along the process of self-publishing for writer to reach the standard of producing a professional ebook.

Table 2.2 Prices of publishing services by Lulu.com (Starreviews.Com, 2010)

<b>Books</b>	
Publishing Pack (includes editing, formatting and custom cover)	USD 500
Marketing Pack (includes press release, online advertising)	USD 350
<b>Pre-Publishing</b>	
Editing	USD 300
Formatting	USD 250
Custom Cover	USD 80
Premium Cover	USD 45
Deluxe Cover	USD 1000
<b>Marketing &amp; Distribution</b>	
International Standard Book Number (ISBN)	USD 99.95
Publishing Coach	USD 100-150
Library Visibility	USD 30- 50
<b>Book Reviews</b>	
Clarion Preview	USD 79-305
Search Engine Marketing	USD 45-1750
Website Design	USD 600
Press Release	USD 175
Scanning	USD 149-389

Table 2.3 presents the summary of facilities and services of Lulu.com and *E-blook* for comparison. In term of creating ebook, Lulu.com is a tool for writer to upload their manuscript, customize it with the standard design templates and subsequently compile the writings and design pages into a manuscript. *E-blook* is a medium that emphasizes on editing or educating the writing process of the writer. Besides, *E-blook* provides customization tool for writers to compile the manuscript by uploading the book covers and selecting entries of their writing and convert them to PDF ebook format. In term of selling, Lulu.com distributes the book at its website and sells International Standard Book Number (ISBN) to the writer to make their ebooks available at any store and distributed internationally. ISBN is the code which a book is identified internationally. In contrast, *E-blook* helps writer to apply ISBN through the Malaysian National Library (pnm.gov.my) which is free of charge or a few ringgit, as a way to help the writer to distribute his or her ebook internationally.

*E-blook* is an advertising platform for ebooks created on it and it is specific in distributing them in Malaysia. The Malaysian market includes Malaysian blog directories, libraries, schools and bookstores. Besides this, *E-blook* will provide a network for writer to engage with foreign ebook distributors, just like Lulu.com. *E-blook* provides a publishing consultancy service where writer can submit to *E-blook*'s publishing consultants to review the draft of writing and get advice if it is commercially viable. Another difference between Lulu.com and *E-blook* is the channel of service provision to improve the quality and visibility of ebook. Lulu.com offers the publishing and marketing services but *E-blook* offers the publishing and marketing services through value networks of freelance editors, tutors, designers and printing companies. Lulu.com initiated blog and forum for writers to connect with writing experts and share idea as in a community. Furthermore, Lulu.com distributes newsletter to its users to update them with latest news. *E-blook* designs a platform for editors, tutors and writers to exchange benefits instead of building a shared community like Lulu.com does.

Figure 2.2 shows the advertisement platform of OLX.com, which is an idea that *E-blook* would like to adopt by showcasing the profiles of editors and tutors for writers to connect with. Since this is self-publishing method, writer needs to take ownership of the cost model of their ebook. The webpage in figure 2.2 is classified under advertisement about services of "editor" and the page contains advertisement messages about the editor's related services with testimonies and contact details. Writer can choose not to buy a service from an editor but can get his or her family members and friends to play the role of editor to improve his or her writing. Writer can choose to share a percentage of revenue with editor by distributing the ebook together instead of just paying an amount for editing service. *E-blook* is not involved in the agreement between writer and editor.

As Lulu.com, *E-blook* distributes newsletter to its users to update them with latest

news about *E-blook*, such as news about book competitions, book exhibitions, interviews of famous bloggers, and seminars of writing experts. Lastly, Lulu.com has a robust system to distribute not only print books and electronic books, but distribute other contents such as photos, and digital media creations. *E-blook* is specific in distributing ebooks that are produced through *E-blook* only. *E-blook*'s focus markets are the bloggers, fresh writers and potentially students in Malaysia.

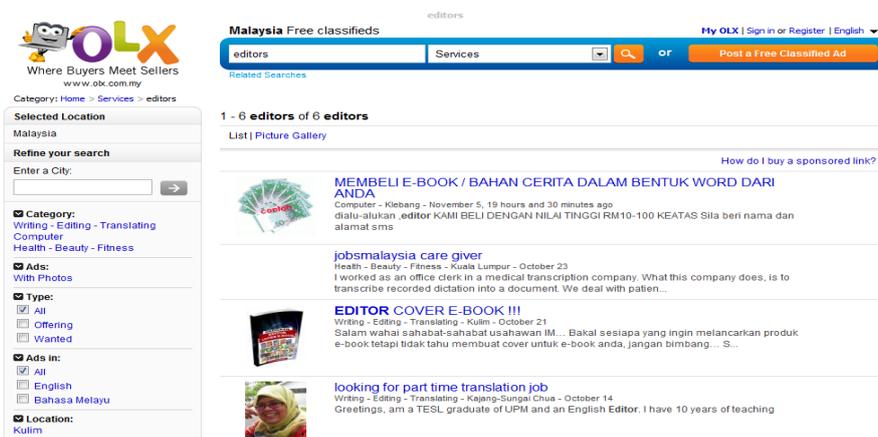


Figure 2.2 Classified advertisement platform of OLX.com

In terms of price, Lulu.com attracts the user with free sign up of a self-publishing account and subsequently directs them to purchase more specific services to produce professional ebooks with charges. *E-blook* drives a different strategy from Lulu.com. *E-blook* charges RM 100 per book and would not collect revenue from the sales of the book by the writer. This is because bloggers can create their own bookshops, record stores, art galleries at their own blogspace to capture sales instead of going through *E-blook*. However, the subscription of RM 100 includes membership for the writer to engage with the ebook advertisement activities, connect with writer experts for editing or tutoring services, engage with *E-blook* publishing consultants to get advice about their book's market value and receive update via newsletters. Besides that, *E-blook* would charge value partners who are the editors,

tutors, printing companies, and book cover designers with a membership fee of RM 50. The members of *E-blook* can sell their services at *E-blook's* advertisement platform, and collaborate with *E-blook* to conduct public relation events to attract more people to publish books.

Table 2.3 Comparison between Lulu.com and *E-blook*

	<b>Lulu.com</b>	<b><i>E-blook</i></b>
<b>Creating ebook</b>	<ul style="list-style-type: none"> <li>• Uploading the manuscript.</li> <li>• Customize the design and compile into one manuscript.</li> </ul>	<ul style="list-style-type: none"> <li>• Collaborative writing.</li> <li>• Customize the design and compile into one manuscript.</li> </ul>
<b>Extra Services</b>	<ul style="list-style-type: none"> <li>• Sell ISBN, editorial services, design services, and marketing services.</li> <li>* Additional charges by Lulu.com as in Table 2.2</li> </ul>	<ul style="list-style-type: none"> <li>• ISBN application form National Library Malaysia.</li> <li>• Review by <i>E-blook's</i> publishing consultants if it is commercially viable.</li> <li>*Included in the RM 100 of subscription fees.</li> </ul>
<b>Selling ebook</b>	<ul style="list-style-type: none"> <li>• Lulu selling floor</li> <li>• Provide networks for writer to engage with international books store.</li> </ul>	<ul style="list-style-type: none"> <li>• Bloggers creates own bookshop, record store, art gallery at their own blogspace.</li> <li>• <i>E-blook</i> is an advertisement platform, specific in advertising the ebook to Malaysian market (libraries, schools and book stores).</li> <li>• Provide networks for writer to engage with international book stores.</li> </ul>
<b>Connecting others to improve writing</b>	<ul style="list-style-type: none"> <li>• Share idea at forum and blog of Lulu.com.</li> <li>• Connect with writing experts of Lulu.com.</li> <li>• Receive newsletter about Lulu's latest update.</li> </ul>	<ul style="list-style-type: none"> <li>• Connect to freelance editors, tutors, designers.</li> <li>• Connect to Malaysian publishers, printing companies and distributors.</li> <li>• Receive newsletter about <i>E-blook's</i> latest updates.</li> </ul>
<b>Buying</b>	<ul style="list-style-type: none"> <li>• Print books, electronic books, photos, digital media creations</li> </ul>	<ul style="list-style-type: none"> <li>• ebooks (produced via <i>E-blook</i>).</li> </ul>
<b>Price</b>	<ul style="list-style-type: none"> <li>• Free sign up of a self-publishing account.</li> <li>• Lulu.com collects 20% from book revenue.</li> <li>• Additional charges in Table 2.2 to help writer improve their ebook to level of professional, visible and profitable.</li> </ul>	<ul style="list-style-type: none"> <li>• RM 100 to sign up self-publishing account (per ebook basis) with free membership. (Writer collects 100% from the revenue of the ebook.)</li> <li>• RM 50 membership fees from value partners (editors, tutors, printing companies, designers).</li> <li>• Writers purchase freelances services to improve their ebook to level of professional, visible and profitable.</li> </ul>

### **2.3.3 Advantages of e-publishing**

The convenience of word processing on the computer and the emergence of the Internet have led to a lot of paper work being done electronically on the computer and internet. E-publishing which stands for electronic publishing, refers to a type of publishing that does not include printing books, but it takes the format of work online, on a compact disk, emailed, or provided in a file format that is compatible with handheld electronic readers (Kayne, R. 2010). The concept of *E-blook* is to employ blog as space to produce internet based publications. There are numbers of advantages for e-publishing. According to Kayne, R. (2010), publishers have greater willingness to take untried writers and non-traditional characters of story lines and manuscript lengths into e-publishing. Thus, e-publishing is a good way for bloggers as new writers to publish ebooks. Bloggers are free writers who seldom stick to traditional writing styles and discipline. Secondly, e-publishing is faster and allows the writers to update texts often and easily at virtually no cost (Kayne, R. 2010). *E-blook* host writers' writing on the internet and thus writers can update and publish their text online and publish anytime and anywhere. Thirdly, electronic storage affords unlimited archiving where e-publishing works, table of contents and indexes can be made and this gives new writers time to build their entire catalog available over extended period of time (Kayne, R. 2010). *E-blook* is designed as a blog for writer to archive their writings by categories, date entries on list of blog rolls, customize their table of contents and indexes for navigating as blook, and there is no time limit for them to end their writing once they purchase the *E-blook* service.

### **2.3.4 E-publishing in Malaysia**

#### **2.3.4 (a) Economic outlook of Malaysia printing industry**

According to an article titled "Economic Outlook of Malaysia Printing Industry 2009" provided by Marshall Cavendish Business Information (2010), internet and electronic

publishing technology have built a new landscape for book publishers and sellers worldwide. Marshall Cavendish Business Information (2010) gave examples with Malaysiakini.com, an Internet news portal with a section to download ebooks in PDF format at a small price (kinibooks.com). Hence, ebook selling is getting prevalent in Malaysia. Besides, according to Marshall Cavendish Business Information (2010), the digital printing sector is also taking shape with another innovation of electronic publishing called print-on-demand. Print-on-demand is print jobs with smaller volume to meet a certain demand such as 20 books to the market. Print-on-demand provides flexibility and reduces large inventories of print material, and subsequently reducing storage, handling costs, and inventory accounting costs to printing companies (Marshall Cavendish Business Information, 2010). As a result, ebook writers are more willing to print their ebook at print copy since the cost of printing is reduced by print-on-demand. After that, Marshall Cavendish Business Information (2010) claimed that a number of companies in Malaysia have adopted corporate social responsibility (CSR) projects which encourage staff to recycle and reduce the use of papers. The concept of *E-book* which is to computerize editing, writing using computer, and e-publishing support the paperless CSR project. Lastly, Marshall Cavendish Business Information (2010) stated that printing companies need to collaborate with other sectors of the industry to boost the volume of printing books. A number of strategic have been identified by the analysts of Marshall Cavendish Business Information. First is to collaborate with Ministry of Education to boost the literacy of the people and help cultivate reading as a habit. This has proven to be a great success in Japan, where reading has become a daily habit even while waiting for public transport. Second is to collaborate with the Malaysian Book Publishers Association (MABOPA), to make books cheaper in the market. *E-book's* business will benefit by the collaboration of printing industry with Ministry of Education and MABOPA in boosting the volume of book publishing and printing. In conclusion, *E-book* is aligned towards the

evolving business climate on e-publishing, print-on-demand and socially responsible projects.

#### **2.3.4 (b) eInfoC**

An e-publishing product was created under Universiti Utara Malaysia (UUM) called electronic information Centre (eInfoC) in 2006, which is a Web-based Information Centre that specializes in publishing, promoting, and marketing electronic contents. The title of the research is eInfoC n' eMPay: Collaborative eSolution for Scholarly Publications by Shiratuddin, N. (2006). According to the research team, only two companies had ventured into the electronic publication business, although there is a strong policy and infrastructure support by the Malaysian government. The objective of eInfoC is to overcome the problem of low distribution of printed and bound forms of publications to the public. Printed and bound forms of publication gives readers' limited accessibility to reader and subsequently the publications are not noticed locally and internationally. EInfoC was developed for the Web to provide a platform for academics and the public to publish, promote and market their knowledge, skills, ideas and talents in the form of eContents such as eBooks, eReports, eModules, eStorybooks, etc. According to the marketing research of eInfoC, almost 79% of respondent stated that they were interested in buying electronic publications.

Authors usually have three e-publishing choices which are commercial, subsidy and self-publishing (Shiratuddin, N. 2006), whereby commercial and subsidy are higher quality publications. Shiratuddin, N. (2006) explained commercial and subsidy are manuscripts that have to gone through editorial process, and after that the publishers convert the manuscripts to electronic contents (eContents). The authors pay no publication fees, but they will receive royalties and the publishers do the marketing process. On the other hand, self-publishing is lower quality publications because the manuscripts do not go through editorial process. The publishers convert it to eContents, and the authors pay no publication fees, but they will receive royalties and the publishers do the marketing process. *E-blook* is categorized under

self-publishing, but *E-blook* has additional value for writer by preparing a medium for writers to conduct editorial process for better quality and subsequently converting the writing to ebooks for publishing. *E-blook's* writers have full right on the content and design of the books. They are the final editors to select the chapters and versions of writing, pictures, book covers and template designs to convert into PDF format. Besides, *E-blook* does not take royalties from the sales of ebooks and it conducts advertising activities instead of the ebooks.

## **2.4 STENGTH WEAKNESS OPPORTUNITY THREAT (S.W.O.T.)**

### **Strengths**

- 1.) The business brings users to reach global level in getting publishing services (editing, tutoring, designing, marketing and distribution).
- 2.) *E-blook* compiles the services of publishing (editing, tutoring, designing, marketing and distribution) in one portal and thus provides a larger and faster selection for user to purchase the best for his or her needs.
- 3.) *E-blook* is a new, innovative product. It innovates self-publishing solutions with providing space for writing. It also innovates the medium of collaborative writing with convection technology from blog writing to PDF ebook.

### **Weaknesses**

- 1.) Lack of marketing expertise to run advertisement and public relation activities.
- 2.) Lack of experienced technology expertise to develop the software and website.
- 3.) Lack of experienced management expertise to manage the company.

## **Opportunities**

- 1.) Internet and blogging communities are developing markets for *E-blook* to spread product awareness.
- 2.) Collaboration partners are available with the objective of boosting the literacy of the Malaysian society and the number of books published and printed.
- 3.) Students are potential customers.
- 4.) International Standard Book Number (ISBN) application is available at National Library in Malaysia with low price.

## **Threats**

- 1.) Lulu.com is a strong competitor of self-publishing solution. It has superior access to channels of ebook distribution in four continents of the world.
- 2.) Not all writers feel a need to hire human editor and they may prefer their original writing styles without editing.
- 3.) Writer may choose other medium of collaboration writing such as email, hand over hardcopy etc.
- 4.) Writer may get the suitable editor through *E-blook* at first subscription. He or she may engage with the same editor at second writing without going through *E-blook* by switching to other collaboration writing medium.

## 2.5 Business Model

Figure 2.3 presents the business model. Revenue interprets the efficiency of the business model in converting the technology to economic value. The need of writing for personal growth and the need of Malaysian society to increase the number of books published, together with the opportunities of blogging trend for advertising and as focus market, E-publishing, print-on-demand and recycle movement, connect *E-blook*'s target markets and technology to the value proposition of this business. Bloggers are the groups of people who enjoy writing. *E-blook* would like to transform bloggers' writing towards ebook, co-existing with blogging. Besides this, education is a potential market for *E-blook*, as writing is an activity of a student's learning life. *E-blook* would like to convince students to use *E-blook* as a space to interact with their tutors to get feedback between drafts, and doing as a writer as way to learn to write. Malaysian printing and supporting industry, Malaysian Book Publishers Association (MABOPA), and Ministry of Education can collaborate with *E-blook* to spread the product's benefits to the society. Lastly, freelance editors, tutors and designers will also benefit as they are offered business opportunities when book publishing market is good. Malaysian printing and supporting industry, Malaysian Book Publishers Association (MABOPA), and Ministry of Education are the value networks of *E-blook* as positive influences of the market, whereas freelance editors, tutors and designers are value networks of *E-blook* as business partners.

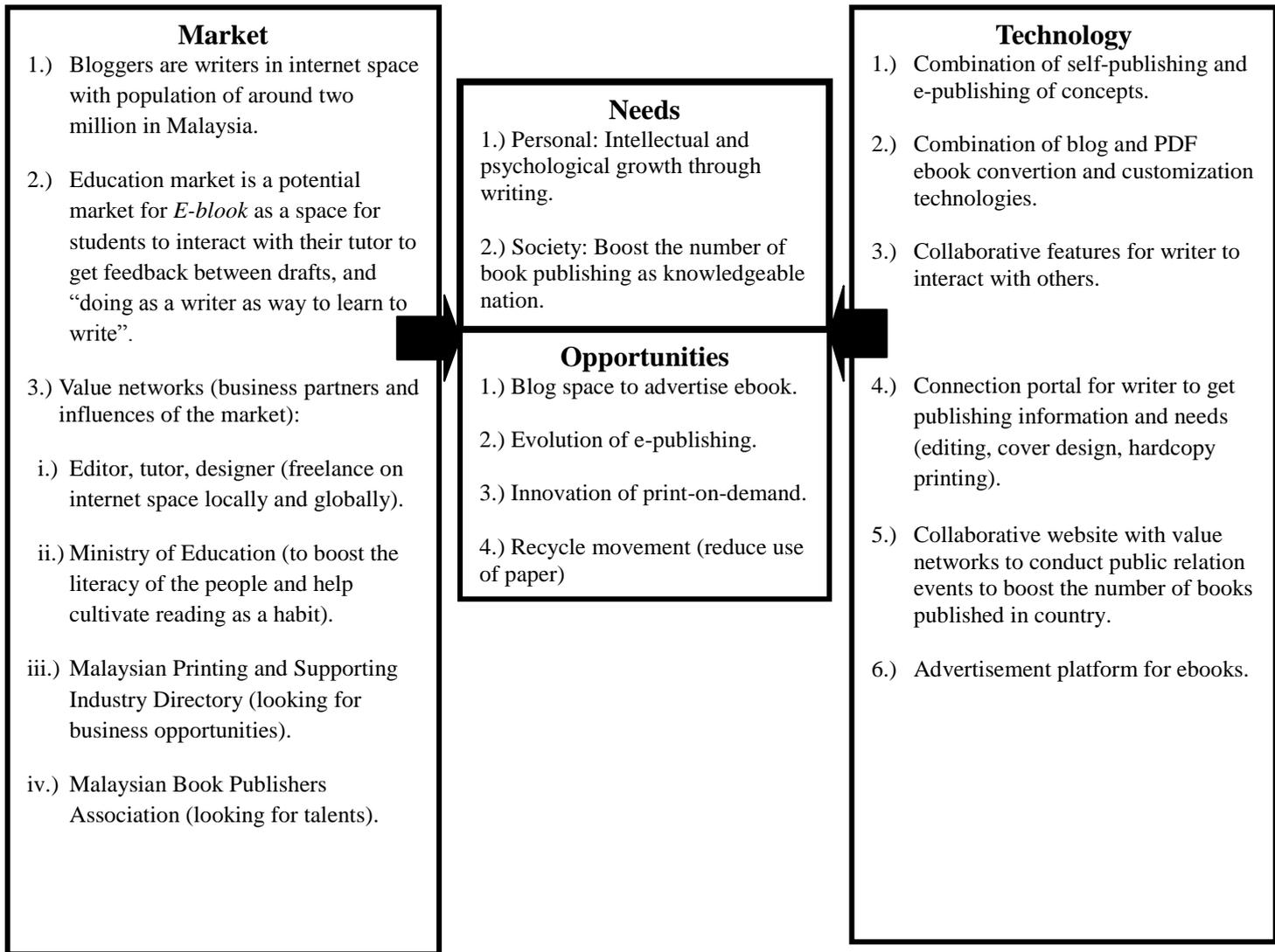


Figure 2.3 Business Model

## 2.6 Revenue Model

### 2.6.1 Core business

The core of *E-book's* revenue model is the subscription fees by writers using its facilities and service. The business charges RM 100 per subscription, where one subscription is limited to write one ebook. *E-book* provides value to user and as a medium for self-publishing and e-publishing. Besides, *E-book* is an innovative product based on blogging

software for writers to host their writing and collaborate with writing experts to improve their writing. Once the writing is completed, the writer can select which entries of writings require customization and convert those to PDF ebook format. Besides this, *E-blook* is a portal for writer to get publishing information and services such as editing, cover design, hardcopy printing and marketing and distribution. Moreover, *E-blook* is a collaborative website with value network to promote public relation events to boost the interest of writing, cultivate the culture of reading and writing in Malaysian society. As the result, Malaysian printing companies can get more books to print, whereas Malaysian publishers can get more writing talents, and bookstores can get more good books to distribute. Lastly, *E-blook* is an advertisement platform for writer to promote and sell ebooks. In term of services, *E-blook* helps writers to apply ISBN through the Malaysian National Library. *E-blook* also provides publishing consultancy services where writer can submit their writing draft to *E-blook's* publishing consultants to review and get advice if it is commercially viable. Once a writer subscribes to *E-blook*, he or she will be enrolled as a member and receive newsletter of current updates and public relation events of *E-blook*.

### **2.6.2 Sub business**

*E-blook* persuades writers who wish to self-publish ebooks to use *E-blook* by positively reinforcing them with advertising messages. However, writers may self-publish ebooks using alternative methods after learning through *E-blook*. Hence, *E-blook* needs to carefully strategize its business to build a long term relationship with customers, in order to retain them. First, *E-blook* has to consistently ensure its product and service satisfies them. Second, *E-blook* needs to be creative in conducting public relation events to relate them as one community, to give them a chance of growing as a writer and the feeling of joy in engaging with other related parties. In response to these objectives, *E-blook* introduces a concept of membership, gathering all members together to share interests and exchange